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Approved by:

Russell J. Nicely, Acting Agricultural Counselor
U.S. Embassy, Bangkok

Prepared by:

Sukanya Sirikeratikul, Marketing Specialist

Report Highlights:

This guide is an excellent one-stop source of information on Thailand, the 16th largest export market for U.S. agricultural products including fish and forestry products. For U.S. companies seeking to learn how to do business in Thailand, this guide provides practical tips and information on local business practices, consumer preferences and trend, food standards and regulations, import and inspection procedures. This guide also identifies which of the three market sectors (food retail, food service, and food processing) offer the most opportunities for new sales and describes the best entry approach. Finally, this guide identifies the best high-value product prospects and key contacts and further information.

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SECTION I MARKET OVERVIEW

The Kingdom of Thailand is popularly known by the Thai food and agricultural industry as the "Kitchen to the World." Thailand is Southeast Asia's second largest economy as the economy, 6 percent during the past few years. However, for the first quarter of 2005, the Thai economy faced several unfavorable developments, including a world economic slowdown, an oil price surge, export constraints on frozen poultry and shrimp, the tragic Tsunami, the upward trend of interest rates, all of which limited Thai exports. Consequently, the Thai economy expanded only by about 3.3 percent, slowing down from 6.1 percent in 2004. Domestic demand softened, shown by the limited growth in private consumption and private investment, reduced from 5.7 and 15.3 percent growth in 2004 to 4.5 and 10.6 percent, respectively.

U.S.-Thailand Trade of Consumer Oriented Agricultural Products					
(m; US\$ per year)	2000	2001	2002	2003	2004
Imports from Thailand	302	327	373	450	498
Exports to Thailand	65	65	80	80	111
Trade Balance	-237	-262	-293	-370	-387
Source: USDA Foreign Agricultural Service - Bangkok, Thailand					

Higher crude oil prices, coupled with high local oil prices have adversely resulted in declines in real consumer purchasing power and household spending. Government measures to stimulate energy saving and increase alternative energy sources should be more effective and it is expected that the Thai economy will become more resilient to oil price changes. The Office of the National Economic and Social Development Board (NESDB) revised the growth projection for Thailand's economy down from 5.5-6.5 percent to 4.5-5.5 percent. The inflation rate was revised upward to 3.6 percent due to the higher oil prices and rising agricultural commodity prices. Overall economic stability is expected to remain favorable. The unemployment rate is expected to be around 2 percent. According to the Asian Development Bank's forecast, Thailand's GDP is likely to recover in 2006, partially from extensive public spending programs, especially for large infrastructure projects.

Thailand is currently the 16th largest export market for U.S. agricultural products including fish and forestry products. In 2004, Thailand imported \$111 million in consumer oriented foods from the U.S., up 39 percent over 2003's \$80 million. Corresponding U.S. imports from Thailand were \$498 million, up 11 percent. Exports have been among the key engines driving Thailand's economic recovery in 2004, despite increasing concerns over the volatile global economy.

Change in Thai Food Import Mix from the U.S.					
(m; US\$ per year; % of total)	2000	2001	2002	2003	2004
Bulk & Intermediate	428	505	531	604	574
%	83%	84%	83%	83%	78%
Consumer Oriented	65	65	80	80	111
%	13%	11%	13%	11%	15%
Edible Fishery	22	31	29	41	49
%	4%	5%	5%	6%	7%
Total	515	601	640	725	734
Source: USDA Foreign Agricultural Service - Bangkok, Thailand					

Total exports of U.S. foods (including bulk and intermediate, consumer oriented, and edible fishery) to Thailand have shown a tremendous growth over the past five years. For example, exports to Thailand jumped from \$545 million in 2000 to \$765 in 2004 – a 8.85 percent increase. The fastest growing segments are edible fish and seafood products (22 percent), consumer oriented agricultural products (14 percent), and bulk and intermediate products (8 percent). The mix of products export to Thailand from the U.S. has remained stable – bulk and intermediate account for 75 percent followed by consumer-oriented products with 15 percent and edible fishery products with 6 percent in 2004.

High duties on agriculture and food products remain the major hurdle to exports of U.S. high-value food products. Duties on imported consumer-ready food products range between 30 percent and 60 percent, the highest in the ASEAN region and perhaps in the world. Tariffs on meats, fresh fruits and vegetables, and pulses (e.g. dry peas, lentils, and chickpeas) are likewise high, even for items with little domestic production. Frozen French fries, for example, are not produced in Thailand, but face a high tariff of 30 percent (WTO bound rate for 2004). When import duties, excise taxes, and other surcharges are calculated, imported wines face a total tax of nearly 380 percent. The tariff on apples stood at 10 percent, while pears and cherries saw a tariff as high as 30 percent and 40 percent (2004 WTO bound rate) respectively. It is estimated that potential U.S. agricultural exports to Thailand could be over \$1 billion a year if Thailand's tariffs and other trade-distorting measures were substantially reduced or eliminated and the economy recovered to pre-crisis levels.

Things are looking up, however. Free trade talks between Thailand and the U.S. began in mid 2004 and will take aim at market access barriers such as the high tariffs in Thailand. This FTA will be particularly beneficial for U.S. agricultural producers, remove existing trade barriers and create new opportunities for U.S. agricultural exporters in this major market. Reducing Thailand's high tariff on imported agricultural products will be of crucial benefit to the U.S. agriculture. It also helps ensure that U.S. exporters are not put at a disadvantage with their key competitors from countries such as China, Australia and India, which already have preferential trade agreements with Thailand. Expectations are for the talks to conclude in early 2006 with the tariff reduction schedule to be implemented shortly thereafter.

Thailand offers many opportunities for alert U.S. exporters. Just a few examples include:

- Thailand, covering 198,114 square miles, is situated in the heart of Southeast Asia and is considered as the gateway to Indochina. Thailand borders with Laos in the north and northeast, the Union of Myanmar in the north and west, the Andaman Sea in the west, Cambodia and the Gulf of Thailand in the east, and Malaysia in the south. With a population of 64 million, Theravada Buddhism is the national religion and is actively practiced by about 95 percent of Thais, with the remainder practicing Islam, Christianity, Hinduism and other faiths. About 48 million Thais are aged over 15 years.
- The size of the work force now exceeds 34 million, with the majority of the workforce under 30 years of age.
- The minimum wage in Thailand is roughly \$4.50 per day in Bangkok, and between \$3.46-4.43 per day in other provinces.
- A literate population due to increased overseas studies, international travel, access to Internet and cable TV.
- Over 10 percent of the total population lives in Bangkok, which accounts for 90 percent of the sales of fast moving consumer goods.
- Most of medium and high-income people live in the major cities, including Bangkok, Phuket, Chantaburi, Chiang Mai, Chiang Rai, Chonburi, Hat Yai, Khon Kaen, Nakorn Ratchasima, Pattaya, Petchaburi, Ratchaburi, Samui Island, Surat Thani, Ubon Ratchatahni and Udon Thani.

- A stable and stronger Baht (Thai currency) in 2004 led to an increase in imported consumer-oriented food products from the U.S.
- Over the past few years, Thais living in urban areas have become relatively brand conscious and their shopping styles have moved away from the traditional open-air wet markets to modern supermarkets and shopping centers which offer them convenience and a wide selection of products.
- The expansion of retail business, particularly, hypermarkets (e.g. Tesco-Lotus, Big C and Carrefour), Supermarkets (Tops supermarket, The Mall, Villa, Foodlands, etc.) modern shopping malls, convenient stores, department stores, etc.
- The demand for imported processed food and raw materials used for re-processing and re-exporting has increased as they are considered better quality than local produce.
- Due to the increasing number of women and young adult labor in the work force, the introduction of ready-to-eat and prepared food items is expected to trigger major growth in the convenience food market in Thailand. Moreover, this younger population is very receptive to new food tastes that fit their lifestyles.
- In 2004, despite the spread of avian flu and the unrest in the three southernmost provinces, the tourism industry still expanded favorably. The contributing factors included various promotion measures initiated by the government and the opening and addition of routes by low-cost airlines.
- In 2004, the hotel occupancy rate averaged 64 percent and foreign revenue from tourism amounted to \$9.6 billion, up by 18.9 percent from the previous year.
- High growth in the number of hotels, resorts and other tourist accommodations leads to an increase in the number of imported food items to support more tourists.
- Upper and middle-income groups in Thailand like to spend money on food, especially during the holidays. Consumption of imported food products peak during New Year, Christmas, Chinese New Year and Thai New Year as gifts of food are given, especially consumer products such as coffee, tea, milk, snack food, jelly, jam, crackers, nuts, fruit juice, wine, beer, whisky, health food and fresh fruit.
- Continuous increase in number of health-conscious consumers is leading to higher demand for health and functional food and drinks.
- Thai consumers view U.S.-origin foods and beverages as high quality and consistent products, for instance: U.S. beef, French fries, dried and fresh fruit, nuts, fruit juice, jams, and other products are always rated by local consumers as the best in the world. However, this perspective does not apply to all U.S. products, as some local consumers still think of France first when they think of wine.
- Even though Thai consumers view U.S. products as high quality, they are very price conscious and susceptible to economic swings. There is a high possibility that the low and middle-income group will shift to cheaper products of acceptable quality during an economic recession.

In summary, the Thai market offers many opportunities to U.S. exporters, but it is not without difficulties. To put these opportunities in perspective, some U.S. "Advantages" and "Challenges" are shown in the table below:

Advantages	Challenges
<ul style="list-style-type: none"> • Varieties of superior U.S. high quality agricultural products from fresh to processed food • High opportunities exist for U.S. products targeting niche markets 	<ul style="list-style-type: none"> • U.S. exporters have spotty or incomplete knowledge about the Thai market and at the same time face severe competition from China, Australia, New Zealand, Japan and other neighboring countries impedes the entry of U.S. products

<ul style="list-style-type: none"> • GDP for 2005 is projected in the range of 4.5-5.5 percent • Increase in Thai consumers' preference for higher quality products • U.S. and Thailand are negotiating a free trade agreement, which will enhance the competitiveness of American food and agricultural products in Thailand 	<ul style="list-style-type: none"> • U.S. products are not always price-competitive compared to imports from other Asian countries due to high tariffs, shipping costs and the long distance to Thailand • Bilateral free trade agreement between Thailand and other countries, particularly China, Australia, and India, induces the import of more low-price products from these trade partners
<ul style="list-style-type: none"> • Local Thai consumers view US-origin products as high quality and safe and are confident in U.S. foods and beverages consistency 	<ul style="list-style-type: none"> • Local manufacturers can improve or change quality of products, tastes or packaging sizes according to changes in consumer behavior and can lower production cost
<ul style="list-style-type: none"> • Proliferation of retail industry. New retail outlets are expanding which allow consumers in any part of Thailand to get access to new imported products 	<ul style="list-style-type: none"> • Lack of importer and retailer knowledge and training in purchasing and handling of U.S. food products • Strong local brands which are either foreign or Thai origins in many food and beverage products e.g. Nestle, Singha Beer, etc.
<ul style="list-style-type: none"> • Eating style of Thai people is changing to include more imported food items 	<ul style="list-style-type: none"> • Lack of continuous promotion of U.S. varieties in Thai market. Exporters need to support market promotion campaigns to attract and then build new markets
<ul style="list-style-type: none"> • Increase in niche markets with higher incomes and high premium product preferences 	<ul style="list-style-type: none"> • Market penetration for imported products is concentrated in Bangkok and major tourist-destination provinces mostly
<ul style="list-style-type: none"> • The booming tourism industry is ratcheting up demand for HRI products, especially U.S. beef, turkey, seafood, wine and seasonings which can be used in American, French, Japanese and other international style restaurants 	<ul style="list-style-type: none"> • American style food products mass produced locally cost less
<ul style="list-style-type: none"> • Reliable supply of U.S. agricultural products and advanced U.S. food processing technology 	<ul style="list-style-type: none"> • Thai government's policy and actions try to increase demands for Thai local products • Food safety concerns
<ul style="list-style-type: none"> • Government's policy to support the development of value-added production, this will boost the demand of food ingredients, especially new ingredients 	<ul style="list-style-type: none"> • Some food ingredients can be produced locally
<ul style="list-style-type: none"> • Good relationships with foreign suppliers 	<ul style="list-style-type: none"> • High import tariffs on high value consumer food and beverage products, especially U.S. meat products, wine, whiskies, cherries, peaches, plums, pears, French fries, etc.

<ul style="list-style-type: none"> • Thai importers prefer to deal with quality and reliable U.S. suppliers who are able to supply products at competitive prices 	<ul style="list-style-type: none"> • Lack of trader and consumer awareness of U.S. products, while marketing costs to increase consumer awareness are high
<ul style="list-style-type: none"> • Thailand's beneficial geographical location is viewed as a gateway to the larger Indochina and other Asian markets 	<ul style="list-style-type: none"> • Due to the high import tariffs on U.S. products, most Thai importers have shifted to import products from other Asian countries, especially Australia, China, Malaysia, and Singapore

Section II. Exporter Business Tips

The following are a number of thoughts, collected from a variety of sources, on exporting food products to Thailand. Some are obvious, but warrant repeating; some you may never have considered. They are organized under three topics: communicating, meeting, and exporting. We hope these suggestions will prove useful in your efforts to build food exports to Thailand.

Communicating

- When greeting a Thai, use the word Khun (pronounced coon) in place of "Mr." or "Mrs." and the person's first name, which is listed first on his or her business card. For example, a Westerner with the name "Peter Moore" would be called "Khun Peter". Among Thais, family names are not usually used. Most Thais refer to each other by their first names only. Never refer to yourself with the word Khun; simply say your first name. Thais will probably address you by using "Mr." or "Mrs." and your first name.
- Introductions: foreign companies may write directly to Thai companies, although personal introductions will always enhance a firm's credibility and acceptance.
- Most Thais greet someone by bowing slightly towards them while bringing the hands pressed together in a praying position between the chest and forehead. The exact location of the hand depends on the level of respect being offered — the height and depth of a person's bow indicates social status. This gesture, known as a "wai", can be used when greeting someone on arrival and departure, and also when saying, "I am sorry" or "thank you." There is no need to wai taxi drivers, secretaries, clerks, and other support or service people.
- It would behoove foreign businesses to hire a representative or agent with local connections, especially if they intend to buy from or sell to Thailand. Assess any local representative or partner's political relationship, as the government is still very much involved in the private sector. Networking with government officials and/or correct authorities can be the key to doing business successfully, especially if your firm intends to do a major project. Although a local representative is often the best choice, monitor your representative closely and require measurable performance.
- Keep in mind that in most of Asia that dates are shown in day/month/year format, ex. 5/12/04 means December 5, 2004. To avoid confusion, you may want to use the full date in correspondence.
- Have some fun and try to learn a few words of the local language, especially social greetings. This shows to all your interest in the country.

Meetings

- Avoid business visits during the New Year Festivals (both the Chinese and Thai ones).

- Heavy traffic is the most common excuse for tardiness. Whenever possible, avoid scheduling meetings after 3:30 p.m. because locals often leave their office early to get a head start on evening rush-hour traffic.
- Business cards are always exchanged at the first meeting. It is important to carry a sufficient quantity; failure to offer a business card may make Thais suspicious of your position and authority. Be sure your card indicates your position and responsibility. And be sure to have your personal information in Thai on the back of the card. Don't throw or slide your card. Don't put the other person's card in your pocket until the meeting is over. Don't write on his/her personal card.
- Begin initial meetings with casual conversation on such topics as your travels, the beauties of Thailand, possibly questions about your counterpart's overseas experiences.
- Avoid topics relating to politics, the royal family, and religion. A little praise of the country and the Thai people goes a long way.
- Never touch or point with your feet. It is consider rude to cross your legs and point your feet at someone. Thais place a great importance on appearance and politeness.

Exporting

- It is essential to visit the market to conduct market research, especially for product testing, price comparisons, and for reviewing export statistics of the last 3-5 years.
- Localize your products: adjusting the product for local tastes, verifying consumers' preferences and setting your products' price to be very competitive.
- U.S. exporters should locate the best distribution channel (e.g. local importers, distributors, supermarkets, retailers, etc.) and establish a good relationship with them, as they are very useful in facilitating and promoting exports of U.S. consumer-ready foods to Thailand.
- Trade fair participation is another way to raise awareness of your product.
- In Thailand, most large manufacturers and retailers import raw materials or products directly while medium, small manufacturers, retailers, as well as hotels, prefer to purchase products from local importers. But there are exceptions to this rule.
- Successful U.S. exporters must provide reliable product availability, consistently supplying a quality product, technical support, information support, and accurately responding to inquiries within 24 hours as Australia and New Zealand are just a phone call away in a similar time zone.
- Understand that there is likely only one decision-maker in a company, and that person often is not the purchasing manager.
- Product Registration: Applications for product registration should be submitted to the Food Control Division, FDA. The approximate amount of time required for product registration, starting from submitting the application, is about one month. However, delays are usually caused by inaccurate or unacceptable details in the documents. There is little chance for licensing a product unless the manufacturer or exporter provides the necessary details required by the FDA.
- The product should be packed and shipped for a tropical climate and have clear storage instructions. This is especially important, as few cold storage or air-conditioned facilities and delivery trucks exist.
- When introducing new products, several factors should be kept in mind. Thai consumers from middle to upper income groups have an aversion to low quality products and are attracted to branded products. They also tend to be image conscious. Existing brand loyalties are most likely to be broken by new products that are of good quality, well packaged, distributed, promoted and competitively priced, rather than cheap products.
- Be patient and think long term. It is not unusual to visit the market 2-3 times before details are finalized.

- Study the most recent Food and Agriculture Import Regulations and Standards (FAIRS) Report for Thailand. This concise document - covering food laws, labeling requirements, food additive regulations, pesticide and other contaminants, import procedure and other key regulations, requirements and specific standards-should be required reading for all exporters and is available on the internet at <http://www.fas.usda.gov/>
- Contact, after reviewing the foregoing, the Foreign Agricultural Service in the U.S. Embassy, Bangkok (agbangkok@fas.usda.gov) with any remaining questions on issues such as standard, tariffs, regulations, labeling, and other concerns.

Section III. Market Sector Structure & Trends

All Consumer Expenditure on Food

According to Euromonitor, one notable trend is the large proportion of consumer expenditure on retail food compared to food service sector. The retail market share of consumer expenditure accounts for more than 70 percent of total food spending, while consumers are allocating a lower proportion of their expenditures to food service (30 percent). This reflects a general tendency among Thais to cook at home rather than dine out, particularly among residents living in rural areas. This coincides with a preference among consumers for traditional cooking methods and authentic styles of cuisine.

However, expenditure on food service has registered an annual average growth rate of 5 percent every year from \$219 Billion in 1999 to \$267 in 2003. An increase in eating out and patronizing restaurants is specially prominent among the younger generation, as well as working professionals, as it is more convenient and efficient than cooking at home. Furthermore, the increasing number of food establishments in the market also resulted in a considerable increase in food service.

Consumer Foodservice by Sector					
m; US\$ per year; % of total					
	1999	2000	2001	2002	2003
Cafes/bars	46	49	50	56	64
%	1.95	2.09	2.27	2.36	2.47
Full-service restaurants	374	372	351	381	415
%	15.81	15.96	15.96	16.03	16.08
Fast Food	68	72	75	87	101
%	2.89	3.1	3.42	3.65	3.9
Home delivery/takeaway	67	66	62	66	72
%	2.84	2.83	2.8	2.79	2.77
Self-service cafeterias	14	14	13	14	16
%	0.59	0.59	0.6	0.6	0.61
Street stalls/kiosks	1,796	1,758	1,647	1,772	1,914
%	75.92	75.44	74.95	74.57	74.16
Total	2,366	2,330	2,198	2,376	2,581
Source: Euromonitor					

Tourism Spending

In 2004, tourists in Bangkok and Chiangmai spent about 25 -30 percent on shopping activities – the largest share. In general, low cost products, unique Thai traditional products, and in particular different retail concepts ranging from department stores to large-scale flea

markets attract tourists. Accommodation expenditure constituted a significant 30 percent share for other major tourist expenses. Domestic tourism became more active after the outbreak of SARS, as the majority of Thais adopted a cautious attitude towards international traveling. Active promotions, such as the new campaign *Unseen Thailand*, by the government are also encouraging an increase in domestic tourism. The main tourism promotion and marketing theme for 2006 will be 'Thailand Happiness on Earth' - highlighting the traditional hospitality of Thai people and the kingdom's unique cultural, historical, natural heritage. According to the Tourism Authority of Thailand (TAT), the arrivals targets for 2006 are 15.12 million international visitors and 79.33 million domestic trips, with each sector generating estimated tourism revenues of 533 billion baht (\$13.25 billion) and 380 billion baht (\$9.45 billion) tourism respectively.

Tourism Spending								
(m; US\$ per year; % of total)								
	Bangkok	%	Chiangmai	%	Pattaya	%	Krabi	%
Accommodation	1,537	20%	237	21%	366	30%	136.75	28%
Food and Beverage	1,247	16%	146	13%	229	19%	88.61	18%
Excursion	271	4%	-	0%	62	5%	-	0%
Travel within country	687	9%	159	14%	98	8%	93.49	19%
Shopping	1,901	25%	363	32%	199	16%	99.66	21%
Entertainment	1,842	24%	148	13%	204	17%	40.41	8%
Other expenses	145	2%	67	6%	52	4%	21.57	4%
Total	7,630	100%	1,121	100%	1,210	100%	480.49	100%

Source: USDA Foreign Agricultural Service - Bangkok, Thailand

Tourism Spending						
(m; US\$ per year; % of total)						
	Phuket	%	Karnchanaburi	%	Hua Hin	%
Accommodation	617	29%	54.11	22%	56.61	27%
Food and Beverage	397	19%	57.02	23%	44.39	21%
Excursion	-	0%	15.98	7%	11.88	6%
Travel within country	341	16%	29.19	12%	17.61	8%
Shopping	407	19%	41.29	17%	47.14	22%
Entertainment	289	14%	35.40	15%	26.46	13%
Other expenses	80	4%	9.86	4%	6.49	3%
Total	2,130	100%	242.84	100%	210.58	100%

Source: USDA Foreign Agricultural Service - Bangkok, Thailand

Retail Sector

Thailand's retail trade sector is a vital component of the Thai economy accounting for an 8 percent share of GDP and 4 percent of total employment. Thailand's retail sector experienced a rapid increase in new investments from both local and foreign players in 2003 despite economic uncertainty. Driven by its hypermarkets and convenience stores, Thailand is the second most dynamic retail market in Asia after China. About an 8 percent increase in sales for the traditional trade sector is expected, while in the modern sector sales are seen rising 18 percent. According to AC Nielsen's annual survey, the average Thai consumer spent \$140 per month on retail products; this retail spending accounted for 31 percent of household income.

Multinational retailers have dominated Thailand's modern food retail market with continued aggressive store expansion in 2000-2002, especially in the hypermarket segment. Growth in the retail sector is expected to accelerate despite the introduction of energy saving measures on the opening hours of department stores towards the end of the year. The majority of these investments have come from the leading international retail chains: UK-based Tesco with its Tesco Lotus stores; France-based Casino Group with Big C; Carrefour of France; and Netherlands-based Makro. These modern trade companies, especially the larger firms, represent excellent opportunities for U.S. exporters of consumer food items. Intense competition in the retail market, particularly from these large-scale modern trades who use price strategies and loan extensions to low-income consumers, led to the closure of many traditional stores. As a result, the retail market structure continually changes, with modern retailers such as hypermarkets, supermarkets and convenience stores continuously gaining market share and traditional retailers gradually losing their position.

Since the beginning of 2003, hypermarket expansion in Bangkok is experiencing a decelerating of growth, given the fewer new hypermarket construction projects underway due to the difficulty in locating new business opportunities/areas for further store expansion. It is projected that retail business competition in the future will be more in the form of innovative channels to meet consumer demand; branches to cover more areas, and searching for newer and better products to offer to customers. In addition, the flow of local shoppers has been diverted from department stores, wet markets and grocery stores to hypermarkets and supermarkets. Therefore, supermarkets and hypermarkets are the best method of entry for U.S. exporters to enter Thailand's retail food market and offer a variety of quality products at competitive prices to satisfy Thai customers' desires.

Large convenience store chains like CP's 7-Eleven are recommended for selected foodstuffs. The CP group is redesigning 7-Eleven outlets to focus more on food products by raising the number of food items to be 90 percent of total products, up from 70 percent, or 1,700 items at present. The main factors U.S. exporters should consider for U.S. food products are pricing, shelf life of the product, and customer preferences. The traditional 'Mom and Pop' stores and wet markets in Thailand are not ideal entry points for U.S. exporters as price sensitivity and preferences for traditional diets by the end consumers in this sector are not a good match. U.S. exporters should be aware that many U.S. branded food products such as snack foods, candy, chocolate and breakfast cereals are present in the market as locally or regionally produced food products. The ASEAN Free Trade Area (AFTA) is one of the major factors contributing to shift in manufacturing bases.

Most of the supermarkets and hypermarkets in Thailand have their own house brands for ready-to-eat foods, ready-to-cook prepared foods, home-made bakery items, TV dinners, sausages, water, cooking oil, rice, sauces, cereals, dairy products and fruit juice. Thai consumers are moving toward these house brand items for some particular products due to their cheaper prices, especially food items when they cannot differentiate the products' value - especially items such as sugar, fish sauce, bottled water, etc. These outlets also provide space for fast food outlets, kiosks, a laundry, a florist, bookstores, a photographic store, movie rental stores and restaurants. They also have their own distribution centers to ensure product freshness and operation efficiency.

Entry Strategy

The best method for U.S. exporters to sell to supermarkets, hypermarkets or cash and carry is to directly contact supermarkets, discount stores, hypermarkets, and cash and carry who import direct, and to contact importers and distributors. U.S. exporters should be aware that many multinational retailers in Thailand charge listing fees or a listing allowance for new products. The fee will be charged in accordance with a formula based on the number of retail outlets and SKU (stock keeping unit).

Distribution Channels

The distribution channel to supermarkets, cash and carry, and hypermarkets in Thailand normally begins with importers and goes to distributors, then to a central warehouse or direct to retail outlets. The foodstuffs will be kept either in the importers' warehouse, distributors' warehouse, or a central warehouse before delivery. Some supermarkets, superstores and hypermarkets operated by multinational operators import food products directly and keep them at their own distribution centers before delivery to each outlet.

B) Convenience Stores, Gas Marts & Kiosks**Entry Strategy**

The best method for U.S. exporters to enter this Thai market segment is to contact the head office of convenience stores, gas marts and kiosks. The major convenience stores like CP 7-Eleven and FamilyMart are listed at the end of this report. U.S. exporters should be aware of the listing fee or listing allowance that may be charged by large convenience store chains. The fee will be charged in accordance with a formula based on the number of outlets and SKU.

U.S. branded food sold in these C-stores is generally produced in Thailand or in neighboring Southeast Asian countries. This group of products includes snack foods, chocolates, cookies, candies, gums and breakfast cereal. Distributors import U.S. branded food from neighboring countries rather than from the United States because of the low cost and AFTA preferential tariffs. Trends in the sales of imported food for C-stores versus locally produced will decrease gradually from five to zero percent, in line with the purchasing power of the target group. U.S. products will be well received by Thai consumers in C-stores if price and quality is similar to what local suppliers offer.

Distribution Channels

A common distribution channel to convenience stores, gas marts and kiosks flows from U.S. exporters to U.S. consolidators and traders to Thai distributors to C-stores, gas marts and kiosk distribution centers. Some Thai distributors distribute foodstuffs directly to C-stores, gas marts and kiosk outlets. Most of the foodstuffs that are distributed directly to the outlets are fresh, including baked goods and dairy products. The flow pattern of different retailers varies depending on the sales volume and number of outlets. A key ingredient in the success of the larger retailers is control of their own distribution centers.

C) Traditional Markets: 'Mom and Pop', small independent grocery stores and wet markets.**Entry Strategy**

For U.S. exporters, Thai traditional wet markets are more difficult markets to enter considering the expected purchase price of products, low consumer purchasing power, the size and traditional distribution channels of the outlets, and consumer preference for traditional Thai and Chinese food.

Distribution Channels

Usually local manufacturers will have their own distributors to distribute their products. Some local producers are under supervision of a Royal Project in which assigned distributors manage the distribution.

Best Market Prospects

The best market prospects for U.S. suppliers include breakfast cereal, frozen sea food (scallop, lobster, fish, mussel), fruit juices, instant and ground coffee, jam, nuts (walnuts,

hazel nuts, macadamia nuts), canned soup and fruits, candy, chocolate, chocolate milk mix, dairy products (milk powder, cheese, cheese spread, cream cheese, whipped cream, sour cream, cheese sticks, cheese dip and ice-cream), dips, fresh fruits (cherries, grapes, peach, plums, nectarine, berries, grapefruit, apples), frozen pizza, frozen peas, pie filling, micro wave pop-corn, frozen processed turkey, dried fruits, pickles, red meat, American spices, seasonings and sauces, snack foods, syrup, vinegar, wine, spirits and pet food.

The best selling U.S. food products are U.S. beef (before the import ban), grapes, frozen French fries, snack foods, breakfast cereal, wine, nutritional products and pet foods. Products that are not currently present in the market in significant quantities but have good sales potential are American seafood including scallops, Alaska King crab legs, halibuts and other fishes, fruit juices, biscuits, candy, cherries, peaches, pears, plums, nectarines, chocolate milk mix, cheese, dip sauce, chili sauce, Mexican sauce, other cooking products, peanut butter, pie filling, turkey and whipped cream.

Further Information

Further information on this area is available in A Market Brief on Thailand's Retail Food Sector Report, which can be obtained from the FAS homepage at <http://www.fas.usda.gov>

HRI Food Service Sector

Thailand's large HRI food service sector comprises approximately 150,000 outlets including some 100,000 restaurants and more than 5,000 hotels and resorts. Hotels, resorts, restaurants and institutional contracts are the heavy users of imported food for food preparation and ready-to-eat meals at restaurants, catering services for airlines and cruise lines. This is because this sector attracts middle to higher income Thais, Thai corporate businessmen, resident expatriates, and tourists. Thailand tourism is an important component of the service sector that generated approximately 706 billion Baht (\$17.6 billion) revenue in 2004. This industry is one of the key factors, which provided the engine power for Thailand's quick economic recovery. For the entire year of 2004, the international tourist arrivals to Thailand totaled 11.7 million by 16.5 percent from the previous year, and total income from all tourism-related business was about Baht 386.1 billion (\$9.6 billion).

Tourism Indicators						
	2003 Year	2004 Year	2004			
			Q1	Q2	Q3	Q4
No. of foreign tourists (Mil.)	10.0	11.7	3.0	2.5	2.9	3.2
% change (from the same period last year)	-7.4	16.5	4.4	75.1	14	2.3
Income from tourism (Bil.USD)	8	10	3	2	2	3
Occupancy rate (%)	57.2	64.0	67.3	56.5	64.0	68.3
Room rates (USD)	28	31	34	28	28	33
Source: Tourism Authority of Thailand and Bank of Thailand						

Food and beverage sales of hotels and resorts accounts for about 30 percent of total revenues. The average rate of imported food versus locally produced food in the entire HRI sector is 30 percent; the U.S. has approximately 20 percent of the imported product share. U.S. beef, seafood (lobster, Alaska king crab legs, scallops, etc.), wine, potato, seasonings, etc are well known in the hotel/restaurant trade, and with airline catering companies. Thai Airways International uses 30-40 percent imported food in their in-flight catering service.

General restaurants have been replaced by chains of restaurants such as Oishi, Fuji, Zen, S&P, Black Canyon, MK Suki, Seefah restaurant, etc. Sidewalk restaurants have been

continually replaced by food centers and food courts, which are more hygienic and more convenient. Food centers and food courts can be seen in most of the department stores and office buildings. Fast food and chain restaurants have boomed for the last few years and are expected to continue to do so for the next few years. Hot and cold drinks including coffee and ready-to-eat foods are served in convenience stores and stand alone outlets.

Entry Strategy

Direct contact with local food service importers is the best entry for U.S. exporters. Normally the hotels and resorts do not import food directly. It is easier for hotels and resorts to order from food service companies because they have specialized in providing high quality U.S. products to the five-star hotel and restaurant industry. Restaurants such as fast food chains or family style restaurants, also order and purchase imported food from food service companies or from their affiliate companies who act as their distributors. Five star hotels and resorts are highly recommended for U.S. exporters. International food restaurants located in prime areas of Bangkok, Phuket, Hua Hin, Krabi, Chiang Mai, and Pattaya are secondary recommendations for U.S. exporters. Direct contact with Thai Airways International's catering department is highly recommended.

Best Market Prospects

Best market prospects for U.S. suppliers include American seafood such as U.S. fish (halibut, king salmon, cod), Alaska king crab, scallop, mussels, and oysters; spices, seasonings and sauces; baking products, canned foods (soup, fruit and vegetables), dairy products (cheese, cheese spread, cream cheese, whipped cream, sour cream, cheese dip, ice-cream, dips), fresh fruits and vegetables (radish, celery, carrots, apples, grapes, cherries, kiwi fruit, avocados, blueberries, grapefruit, oranges), frozen berries, pie fillings, frozen peas, fruit juice (apple, prune, orange, grape, sparkling white grape), jam and jelly, Mexican sauce, nuts (walnuts, hazel nuts, macadamia nuts), dried fruits, pickles, ready-to-mix pancakes, cookies, muffins and cake, syrup, tortilla chips, U.S. beef, turkey, vinegar, wine and whisky.

Food Processing Sector

Thailand has become one of the leading food producers in the world and is the largest food exporter among all Southeast Asian countries. There are over 10,000 food-processing companies in Thailand, the majority (80 percent) of which are small sized establishments and cottage industries. Among the 15 percent that are medium and large enterprises (1,234 listed companies), most are cold storage plants (20.8 percent) followed by producers of grain and cassava items (17.8 percent), frozen meat including poultry meat (10.9 percent), starch (10.0 percent), canned fruit and vegetables (7.4 percent), fat and oil (7.3 percent), sugar and honey (5.9 percent), coffee and tea (4.9 percent), canned meat and seafood (3.9 percent), snacks (3.2 percent), and others (8.3 percent).

Currently, Thailand is among the top food-exporting countries in the world. Annually, the industry imports food ingredients approximately \$1.8 billion (The U.S. accounts for about 30 percent market share), and this trend will increase in the future. Although domestic ingredients hold the greatest share of the market, these items tend to be low-value, high-volume raw and semi-processed products such as grains, vegetable oils, and starches. Higher value and more technology-based ingredients are generally not available locally and must be imported. The food ingredient market is growing continuously due to increases in population and in purchasing power; increases in the number of dual income families; and new product development.

Followings are some general characteristics of the Thai food processing industry:

- The Thai market for raw materials is growing. Thai companies primarily supply raw inputs to the food-processing sector. Nevertheless, the import market for these ingredients has been growing continuously. The growth in demand for raw materials is due to the increased localized production of processed products that are in high demand and are expensive to ship long distances;
- Specialized food ingredients and baked ingredients have been identified as the most promising sectors for U.S. suppliers. The market value for imported food ingredients in Thailand doubled over the past 10 years and rose from US\$1.4 billion in 1998 to US\$2.7 billion in 2004. In addition, the market value for imported specialized food ingredients nearly tripled from US\$69.5 million in 1998 to US\$167.8 million in 2004.
- Many Thai retail stores are modernizing and increasing their capacity in the refrigerated and frozen foods sections. In addition, modern logistics and technology are being introduced by multinational retail chains to the market;
- Major retail chains purchase directly from processed food producers;
- Increased local production of some traditionally imported foods. Snack foods, salad dressings, sauces, jams and other processed foods that are relatively inexpensive but have high freight costs will be increasingly produced locally;
- An increase in the trend of using imported ingredients for innovative products;
- A move toward higher quality ingredients. There are some companies moving towards using better quality ingredients instead of ingredients chosen on the sole basis of cost;
- High investment in capital equipment, improvements in food technology, more stringent sanitary requirements, marketing innovations, and Thai exports of finished food products all have contributed to the increasing demand for food ingredients. Major food exporters have expanded their production capacity through new machinery purchases or upgrades to meet demand for a variety of products in the major markets and to satisfy international quality standards including HACCP and ISO;

Fish and seafood, dried fruits, soybean, milk products, cereals, fat and oils, starches and derivatives, fresh fruit and vegetable products, and coloring were the leading volume imported food ingredients in Thailand. The larger food processors tend to be the ones which are more export-oriented, their major markets being Japan, the U.S. and the EU. Accordingly, Thailand must produce products of a quality necessary to meet international standards.

The country is a leading supplier of a wide variety of commodities and/or products including rice, rubber, cassava, sugar, seafood, poultry meat, frozen, ready-to-eat foods, and fresh hand processed fruits and vegetables. Thailand's food processing sector is heavily export-oriented with more than 50 percent of production sold outside the country. Approximately 67 percent of exports are processed seafood products. Thai food processors import large quantities of food ingredients for the food processing industry which are not available locally.

Thailand's processed food exports have been increasing continuously, due to a number of factors: the government's efforts to improve the quality of local industries' output to export quality; the processed food sector's efforts to raise quality and sanitation standards; and the introduction of new, ready-to-cook products, mainly for the Japanese and EU markets. Domestic processed food consumption continues to grow, following the increase in Thailand's population, accompanied by a higher proportion of processed food and beverages consumed as income and lifestyles change. Although domestic ingredients hold the largest share of the market, at the moment, these items tend to be low value, high volume, raw and semi-processed products such as grains, vegetable oils, and starches. Higher value and further processed products are generally not available locally and must be imported. All this

expected expansion in the food processing industry should provide many export opportunities for U.S. exporters of food ingredients in the medium- and long- term as this market segment continues to expand.

The Thai food and beverage manufacturing industry has a broader base than many other Southeast Asian food and beverage manufacturing industries. Most of the major Thai food processing companies are also involved in exporting their products to overseas markets. Several trends are influencing the type and quality of inputs used in processed foods:

- Thailand's open trading environment has stimulated the extensive use of imported ingredients by the local food processing industry. This has enabled the industry to experiment and introduce a wide range of new processed products to the market, e.g. prepared frozen foods, processed meats, and new age beverages;
- Thai people have an increased awareness about their health and nutrition. Macrobiotic foods, vegetarian foods, and health foods have become popular in recent years. Although the scope of the healthy foods business is smaller and less advanced compared to Western countries, Thai consumers are steadily becoming more health-conscious and demanding more flavor-intensive convenient health foods;
- Changes in the retail sector have driven changes in the processing sector. The trend in the retail sector is away from small grocery stores and towards supermarkets and hypermarkets. Currently there are approximately over 700 branches of supermarkets and hypermarkets in Thailand. Consumer expectations have also changed significantly. Faced with an increasingly diverse range of products, quality and price, consumers have become more demanding. In response to increasing consumer expectations, large food retailers, especially international companies, are demanding that Thai food manufacturers meet higher quality standards;
- The rapid change in consumption patterns has led Thai food processors to begin investing in ready-to-eat meals and frozen food products;
- The snack foods industry is also benefiting from the trend toward Western foods and more entertainment and tourist centers throughout the country. The increasing popularity of mini-marts and convenience stores are the driving force in the snack foods market. There are over 15 large manufacturers of snack foods in Thailand and a large number of small firms supply snacks to the local market. Several of the larger manufacturers are increasing exports to other Asian countries, Europe and the U.S.;
- The international food chains industry is expanding rapidly, both in the numbers of companies entering the market and in the number of outlets due to the changing life style and the booming tourist industry. Most of the major international fast food companies are represented in Thailand, including McDonalds, Burger King, KFC, A&W, Pizza Hut, The Pizza, Auntie-Anne's, Baskin Robbins, Swensen's, Delifrance, Starbuck coffee house, Subway, etc. The rapid growth of the fast food sector is stimulating many businesses such as bakery products, dairy products, meat and poultry, etc;
- Thailand's seafood processing sector is the fourth largest in Asia after Japan, China, and India. More than 90 percent of its output is bound for export markets, so continual improvements in production quality are being made to maintain and expand demand. Canned and frozen products account for 80 percent of the output. The leading products are canned tuna, frozen prawns, squid, and assorted fish.

Entry Strategy

The most effective way for U.S. food ingredients exporters to enter the Thai market is either appoint a reputable and experienced local importer/distributor or contact directly to the food manufacturers. Local firms usually have a good understanding of the market and know how to make direct contact with food manufacturers, government officials and other key contacts. A good local importer/distributor can also provide valuable support in arranging meetings with the manufacturers especially their R&D and manufacturing divisions, translating technical information, and help arrange other marketing and sales activities. Trade shows

are also highly effective ways to promote new food ingredient products. Food Ingredients Asia, which will be held in Thailand in 2006, is usually well attended by Thai and neighboring country food companies.

U.S. market development cooperators are also active in Thailand and other Southeast Asia countries. These groups offer many marketing opportunities for U.S. firms, including trade team visits, technical seminars, local promotional events, and other activities. Cooperators with active programs in Thailand and other regional countries include the U.S. Grains Council, U.S. Meat Export Federation, U.S. Poultry & Egg Export Council, U.S. Dry Pea and Lentil Council, U.S. Dairy Export Council, California Raisin Administrative Committee, U.S. Wheat Association, American Soybean Association, U.S. Potato Board, various U.S. fruit and nut associations, as well as several state and regional groups such as WUSATA, EUSAFEC, SUSTA, and MIATCO.

Best Market Prospects

The best market prospects for food processing include dried fruit and nuts, wheat, maize, dehydrated potatoes, soybeans, food chemicals and additives, flavorings, starch, meat, whey, skim milk powder, juice concentrates and other baking ingredients.

Distribution System

In Thailand, the distribution channel for retailers, hotels, restaurants, institutional contractors and food processors is very similar. The distribution channel to supermarkets and hypermarkets in Thailand normally begins from importers to distributors to a central warehouse or direct to retail outlets. The foodstuffs will be kept either in the importers' warehouse, distributors' warehouse or central warehouse before delivery. Besides the above, the principal and manufacturer can also deliver food products directly to their distributor.

A common distribution channel to convenience stores, gas marts and kiosks flows from U.S. exporters to U.S. consolidators and traders to Thai distributors to C-stores, gas marts and kiosk distribution centers. The flow pattern of different retailers varies depending on the sales volume and number of outlets. A key ingredient in the success of the larger retailers is the control of their own distribution center.

Food processing generally is distributed through two main channels. The first is via traditional importers, who re-sell to local distributors or distribute through their own marketing and delivery network to end-users. As Thailand's food processing industry has grown and become more sophisticated over the past decade or more, food manufacturers are increasingly importing directly from foreign supplies. This is especially true for large, integrated food processors, which export many of their products and are well oriented to international trade.

Further Information

Further information on this area is available in A Market Brief on Thailand's Food Processing Sector Report, which can be obtained from the FAS homepage at <http://www.fas.usda.gov>

Section IV. Best High Value Product Prospects

Rank	PRODUCT & HARMONIZED CODE	2003				2004					Mkt. Annual Growth Rate	U.S. Annual Growth Rate
		TOTAL IMP VALUE (US\$)	US IMPORTS VALUE (US\$)	U.S. %SHARE (VOLUME)	U.S. Growth Rate %	TOTAL IMP VALUE (US\$)	US IMPORTS VALUE (US\$)	U.S. %SHARE (VOLUME)	Mkt. Growth Rate %	U.S. Growth Rate %		
1	POWDER MILK & CREAM	182,558,642	6,144,296	6.23%	30.63%	205,108,434	10,537,174	5.11%	-4.83%	-21.85%	-1%	-42%
2	WHISKY	89,645,267	1,278,316	1.05%	68.01%	91,380,894	1,389,593	0.77%	6.46%	-21.93%	-1%	7%
3	MILKFOOD FOR INFANTS	50,588,770	120,014	0.25%	-28.83%	68,946,649	252,108	0.20%	14.40%	-9.11%	6%	-2%
4	SALMON (FROZEN,FRESH, CHILLED)	51,378,082	4,145,972	16.50%	-19.40%	61,478,537	5,509,372	16.58%	12.51%	13.10%	11%	-9%
5	APPLE (FRESH)	57,719,540	10,546,942	12.43%	-7.14%	50,429,232	5,773,626	6.90%	4.55%	-41.98%	20%	-17%
6	CRABS	25,753,883	1,691,297	7.75%	89.51%	30,990,234	2,678,396	9.01%	-1.23%	14.81%	1%	-16%
7	CHOCOLATE & FOOD PREP.WITH COCOA	19,855,546	2,952,025	12.43%	4.30%	24,032,254	3,236,978	11.69%	13.34%	6.62%	20%	17%
8	CANNED PEACH	9,438,650	4,080,626	41.74%	486.96%	21,160,616	8,624,996	42.53%	107.83%	111.80%	104%	140%
9	MACKEREL	16,317,256	357,584	1.72%	521.81%	18,359,107	1,317,376	6.06%	27.42%	348.43%	-44%	n/a
10	GRAPES, FRESH	14,695,578	7,311,738	46.66%	89.88%	17,933,593	8,409,967	41.72%	34.39%	20.16%	41%	28%
11	SUGAR CONFECTIONERY	17,351,391	209,534	0.87%	9.26%	17,586,982	626,638	1.83%	4.96%	120.22%	15%	24%
12	PEARS & QUINCES	14,462,809	9,624	0.03%	891.02%	17,414,505	5,080	0.01%	38.47%	-39.01%	118%	28%
13	COD	12,293,677	620,213	5.65%	-48.78%	15,937,060	2,948,912	19.59%	11.53%	286.79%	41%	22%
14	FRUIT & VEG JUICE	12,740,926	2,602,895	15.09%	209.49%	15,322,269	3,047,903	13.32%	23.96%	9.46%	19%	13%
15	INSTANT COFFEE	10,109,490	297,060	0.44%	-61.60%	14,752,108	214,202	0.19%	41.21%	-38.33%	52%	-5%
16	DOG&CAT FOOD	13,072,905	4,439,600	24.52%	12.18%	14,560,821	4,586,729	26.07%	-1.86%	4.33%	-1%	-16%
17	FROZEN FRIES	9,031,880	5,670,314	63.09%	3.53%	10,954,793	7,546,263	68.10%	14.67%	23.78%	13%	10%
18	CHEESE & CURD	8,372,817	273,901	2.81%	-9.39%	10,441,350	315,683	2.09%	8.38%	-19.46%	17%	-12%
19	WINE	7,046,482	319,862	4.36%	6.28%	9,729,892	550,498	5.79%	13.14%	50.12%	-2%	-5%
20	POPCORN (READY TO EAT)	8,280,362	160,717	1.65%	-89.73%	9,643,444	123,285	0.64%	18.51%	-61.26%	40%	-58%
21	CORN (RAW)	2,305,075	787,027	12.46%	-26.16%	7,576,601	1,070,540	2.75%	586.11%	51.31%	-29%	-9%
22	DRIED PEAS, BEANS,LENTILS	4,056,483	426,852	4.76%	244.77%	6,742,054	248,522	1.06%	129.14%	-48.89%	43%	20%
23	BEER	2,947,800	37,209	1.17%	-52.43%	6,716,993	63,005	1.07%	168.45%	146.04%	91%	22%
24	BREAKFAST CEREAL	5,655,781	213,763	2.87%	119.64%	6,560,505	315,887	3.27%	12.43%	13.93%	11%	2%
25	SOUPS & BROTHS & PREPARATION	4,384,278	1,472,385	47.66%	49.53%	4,859,061	1,272,884	43.95%	8.86%	0.37%	8%	3%
26	ALMONDS, FRESH/DRIED IN SHELL & SHELL	2,656,893	2,641,758	99.41%	41.17%	4,454,368	4,259,983	95.39%	41.37%	35.64%	21%	23%
27	MEAT OF BOVINE ANIMALS FRESH/CHILLED/FROZEN	2,548,999	705,141	23.47%	-19.63%	3,118,903	17,797	1.16%	19.30%	-94.12%	-2%	-51%
28	ICE CREAM	1,794,132	56,529	1.64%	-83.16%	2,902,973	39,561	0.26%	91.98%	-69.75%	70%	-60%
29	JAMS, FRUIT JELLIES (2007)	2,097,037	814,526	35.39%	-1.64%	2,077,737	776,816	40.61%	-17.47%	-5.30%	-17%	-7%
30	SCALLOPS/CLAMS	1,285,192	108,069	2.53%	142.68%	1,894,132	290,060	0.93%	-20.27%	-70.67%	49%	-11%
31	OTHER NUTS INC MIXTURES	955,299	336,713	30.12%	22.66%	1,861,329	569,154	30.64%	48.53%	51.14%	52%	51%
32	SARDINES	968,016	358,599	40.17%	667.30%	1,712,349	180,104	9.92%	96.04%	-51.59%	49%	54%
33	INSTANT TEA	1,023,870	511,477	56.33%	-48.47%	1,634,991	509,711	31.07%	56.31%	-13.79%	30%	1%
34	COFFEE	1,237,741	952,858	41.62%	61.11%	1,233,936	837,921	47.61%	-6.81%	6.61%	29%	20%
35	MEAT OF SHEEP/LAMB	499,602	266	0.07%	-44.08%	975,643	0	0.00%	65.39%	-100.00%	37%	0%
36	CHERRIES (FRESH)	695,896	474,954	73.42%	262.91%	954,986	535,813	56.64%	34.15%	3.48%	40%	26%
37	TOMATO KETCHUP & OTHER TOMATO SAUCES	1,676,090	315,317	14.57%	-36.96%	947,603	619,706	64.72%	-59.36%	80.55%	30%	26%
38	PISTACHIOS, FRESH/DRIED	747,954	599,967	68.59%	27.25%	829,672	605,586	56.01%	2.68%	-16.16%	30%	22%
39	MUSTARD FLOUR & MEAL&PREPARED MUSTARD	623,198	281,029	57.96%	15.31%	782,425	397,274	59.63%	38.16%	42.14%	6%	13%
40	CHAMPAGNE	673,371	-	0.00%	0.00%	771,525	5,317	2.66%	87.03%	0.00%	24%	n/a
41	ORANGE (MANDARIN,TANGERINS, SATSUMA	714,727	150,163	18.92%	39.14%	688,738	53,990	8.89%	-17.55%	-61.28%	1%	-21%
42	RAISINS	342,938	336,385	97.18%	42.67%	557,090	499,733	89.53%	45.16%	33.74%	22%	19%
43	GROUND NUTS	271,990	81,115	12.00%	28.46%	353,525	76,737	8.36%	42.15%	-0.98%	18%	-34%
44	SAUSAGES & SIMILAR PRODUCTS OF MEAT	295,547	9,053	8.53%	351.54%	336,928	5,742	1.59%	-11.26%	-83.46%	-12%	-9%
45	PEACHES, INCL. NECTARINES	54,028	8,480	12.29%	5.09%	183,274	49,872	30.33%	269.02%	810.37%	96%	287%
46	PLUMS AND SLOES	132,101	99,972	65.14%	90.05%	179,193	125,094	62.99%	29.58%	25.30%	11%	5%
47	OTHER SPARKLING WINES	97,951	3,040	5.00%	17.22%	177,705	2,620	2.47%	87.95%	-7.35%	15%	-21%
48	DOG FISH & OTHER SHARKS	116,133	60,578	49.08%	-52.38%	167,441	63,015	35.93%	7.81%	-21.07%	-16%	-32%
49	ALMOND (ROSTED)	19,545	12,601	64.30%	996.59%	50,120	9,608	13.82%	484.81%	25.67%	-2%	-6%
50	TURKEY & CUT OFFALS F/F	101,170	101,170	100.00%	42.99%	33,749	10,009	47.55%	-84.43%	-92.60%	-29%	-40%

Section V. Tariff

	PRODUCT	HARMONIZED CODE	QUOTA	GENERAL RATE		TARIFF (WTO)					
						2002		2003		2004	
				(%)	Volume	(%)	Volume	(%)	Volume	(%)	Volume
1	BEEF (Fresh and Frozen)*	0201	✓ x	60		52		51		50	
		0202									
2	BEEF OFFALS*	0206.100.007		60		36		33		30	
3	MEAT OF SWINE	0203.290.000		60		36		33		30	
4	MEAT OF SHEEP/LAMB	0204		60		34		32		30	
5	TURKEY	020724-020727		60		36		33		30	
6	SALMON,TUNAS,COD,SARDINES	0303		60		5		5		5	
	MACKEREL AND OTHER FISH										
7	CRABS	0306.140.001		60		5		5		5	
8	SCALLOPS	0307.210.006		60		5		5		5	
		0307.290.003									
9	POWDER MILK & CREAM	0402	✓ x								
	-In powder/granules/other solid forms	0402.100.007		5		5		5		5	
						220.8		218.4		216.0	
	- For Infant feeding	0402.211.006		5		8		6.5		5	
10	CHEESE & CURD	0406		60	Bt.20/kg	36	Bt.12/kg	33	Bt.11/kg	30	Bt.10/kg
11	DRIED PEAS, BEANS,LENTILS	0713		60		44		42		40	
12	ALMONDS, FRESH/DRIED	0802.110.001		10	Bt.8.50/kg	44	Bt.36.80/kg	42	Bt.35.15/kg	40	Bt.33.50/kg
	IN SHELL & SHELLED	0802.120.002									
13	WALNUTS	0802.310.005		10	Bt.8.50/kg	44	Bt.36.80/kg	42	Bt.35.15/kg	40	Bt.33.50/kg
		0802.320.006									
13	PISTACHIOS, FRESH/DRIED	0802.500.008	✓ x	10	Bt.8.50/kg	44	Bt.36.80/kg	42	Bt.35.15/kg	40	Bt.33.50/kg
14	ORANGE	0805.200		60	Bt.50/kg	44	Bt.36.80/kg	42	Bt.35.15/kg	40	Bt.33.50/kg
15	GRAPEFRUIT, FRESH/DRIED	0805.400.002		60	Bt.50/kg	44	Bt.36.80/kg	42	Bt.35.15/kg	40	Bt.33.50/kg
16	GRAPES, FRESH	0806.100.002				36	Bt.30.00/kg	33	Bt.27.50/kg	30	Bt.25.00/kg
17	RAISINS	0806.200.004		30	Bt.25.00/kg	36	Bt.30.00/kg	33	Bt.27.50/kg	30	Bt.25.00/kg
18	APPLE (FRESH)	0808.100.003		10	Bt.3.00/kg	36	Bt.15.00/kg	33	Bt.13.75/kg	30	Bt.12.50/kg
19	PEARS & QUINCES	0808.200.005		60	Bt.30.00/kg	36	Bt.30.00/kg	33	Bt.27.50/kg	30	Bt.25.00/kg
20	CHERRIES (FRESH)	0809.200.000		60	Bt.50.00/kg	44	Bt.36.80/kg	42	Bt.35.15/kg	40	Bt.33.50/kg
21	PEACHES, INCL NECTARINES	0809.300.002		60	Bt.50.00/kg	44	Bt.36.80/kg	42	Bt.35.15/kg	40	Bt.33.50/kg
22	PLUMS AND SLOES	0809.400.004		60	Bt.50.00/kg	44	Bt.36.80/kg	42	Bt.35.15/kg	40	Bt.33.50/kg
23	COFFEE	0901	✓ x	40	Bt.4.00/kg	30		30		30	
						92		91		90	
24	CORN (RAW)	1005.900.000		-	Bt. 2.75/kg	-	Bt. 2.75/kg	-	Bt. 2.75/kg	-	Bt. 2.75/kg
25	SUNFLOWER/SUFFLOWER OIL (EDIBLE)	1512.191.006		30	Bt.5.50/l.	27.6	Bt.5.11/l.	27.3	Bt.5.06/l.	27	Bt.5.00/l.
26	SAUSAGES	1601		30	Bt.25.00/kg	36	Bt.30.00/kg	33	Bt.27.50/kg	30	Bt.25.00/kg
27	SUGAR CONFECTIONERY	1704.100.007		30	Bt.25.00/kg	44	Bt.36.80/kg	42	Bt.35.15/kg	40	Bt.33.50/kg
		1704.900.001									
28	CHOCOLATE & FOOD PREP. WITH COCOA	1806		10	Bt.9.00/kg	44	Bt.36.80/kg	42	Bt.35.15/kg	40	Bt.33.50/kg
29	MILKFOOD FOR INFANTS	1901.101.009		5		9		9		9	
30	BREAKFAST CEREAL	1904.10		30	Bt.25.00/kg	31.4	Bt.26.19/kg	25.7	Bt.21.43/kg	20	Bt.16.67/kg
31	POPCORN (Ready-to-Eat)	1904.900.003	✓ x	30		44		42		40	
32	FRENCH FRIES	2004.100.007		30	Bt.25.00/kg	36	Bt.30.00/kg	33	Bt.27.50/kg	30	Bt.25.00/kg
33	JAMS, FRUIT JELLIES	2007		30	Bt.25.00/kg	36	Bt.30.00/kg	33	Bt.27.50/kg	30	Bt.25.00/kg
34	GROUND NUTS	2008.110.004		30	Bt.25.00/kg	36	Bt.30.00/kg	33	Bt.27.50/kg	30	Bt.25.00/kg
35	OTHER NUTS INC MIXTURES	2008.190		30	Bt.25.00/kg	36	Bt.30.00/kg	33	Bt.27.50/kg	30	Bt.25.00/kg
36	ALMOND (ROASTED)	2008.190.014		30	Bt.25.00/kg	36	Bt.30.00/kg	33	Bt.27.50/kg	30	Bt.25.00/kg
37	CANNED PEACH	2008.700.004		30	Bt.25.00/kg	36	Bt.30.00/kg	33	Bt.27.50/kg	30	Bt.25.00/kg
38	FRUIT & VEG JUICE	2009		30	Bt.10.00/kg	44	Bt.14.72/l.	42	Bt.14.06/l.	40	Bt.13.40/l.
39	INSTANT COFFEE	2101.110.010		60		40		40		40	
		2101.120.010				50		49.6		49	
40	INSTANT TEA	2101.200.016	x	30		44		42		40	
41	TOMATO KETCHUP	2103.200.004		30	Bt 7.50/kg.	36	Bt 9.00/kg.	33	Bt. 8.25/kg.	30	Bt. 7.50/kg.
42	MUSTARD	2103.300.006		30	Bt. 12.50/kg.	36	Bt 15.00/kg.	33	Bt. 13.75/kg.	30	Bt. 12.50/kg.
43	OTHER SAUCES & PREP	2103.909.099		30	Bt 7.50/kg.	44	Bt. 11.04/kg.	42	Bt. 10.55/kg.	40	Bt. 10.05/kg.
44	SOUPS & BROTHS & PREPARATION	2104.100.008		30	Bt 5.00/kg.	31.4	Bt. 5.36/kg.	25.7	Bt. 4.43/kg.	20	Bt.3.50/kg.
		2104.200.004									
45	ICE CREAM	2105.000.001		30		44		42		40	
46	BEER	2203.000.001		60	Bt.25.00/l	62	Bt. 25.8/l.	61	Bt. 25.4/l.	60	Bt. 25.00/l.
47	CHAMPAGNE	2204.100.104		60	Bt.20.00/l	55.2	Bt. 18.4/l.	54.6	Bt. 18.2/l.	54	Bt. 18.00/l.
48	OTHER SPARKLING WINES	2204.100.907		60	Bt.20.00/l	55.2	Bt. 18.4/l.	54.6	Bt. 18.2/l.	54	Bt. 18.00/l.
49	WINE	2204210001	x	60	Bt.20.00/l	55.2	Bt. 18.4/l.	54.6	Bt. 18.2/l.	54	Bt. 18.00/l.
		2204290009									
50	WHISKIES	2208.300.004		60	Bt.120.00/l	62	Bt. 124/l.	61	Bt. 122/l.	60	Bt. 120/l.
51	DOG&CAT FOOD	2309.100.108		10		9.2		9.1		9	
		2309.100.905									

Section VI. Key Contacts & Further Information**A) U.S. Department of Agriculture, Foreign Agricultural Service**

The Foreign Agricultural Service in Bangkok maintains up-to-date information covering food and agricultural import opportunities in Thailand and would be pleased to assist in facilitating U.S. exports and entry to the Thai market. Questions or comments regarding this report should be directed to following:

Local:

Office of Agricultural Affairs

U.S. Embassy

120-122 Wireless Road

Bangkok 10330 Thailand

Tel: +662-205-5106

Fax: +662-255-2907

E-mail: agbangkok@fas.usda.govWebsite: www.usdathailand.org**U.S. Mail:**

Office of Agricultural Affairs

U.S. Embassy, Box 41

APO AP 96546

Key Contact(s):

Rodrick McSherry, Agricultural Counselor

Russ Nicely, Agricultural Attaché

B) U.S. Department of Commerce, Commercial Service

Commercial Service is the global business solutions unit of the Department of Commerce. Offering small and mid-sized businesses for non-food or agricultural products' world-class market research, trade events that promote your product or service to qualified buyers, introductions to qualified buyers and distributors and counseling through every step of the export process. Questions or comments should be directed to:

Local:

U.S. Embassy

U.S. Commercial Service

120-122 Wireless Road

Bangkok 10330 Thailand

Tel: +66-2-205-5090

Fax: +66-2-255-2915

E-mail: bangkok.office.box@mail.doc.govWebsite: www.buyusa.gov/thailand/en/**U.S. Mail:**

US Commercial Service

FCS Box 51

APO AP 96546

Key Contact(s):

Ann Bacher, Commercial Counselor

Scott Shaw, Commercial Attaché

C) Cooperators

Contact any of the many U.S. non-profit organizations, representing U.S. agricultural products and exporters and do market development activities to promote the various U.S. commodities and high value products in Thailand and other Asian markets. Please note: some of these organizations are located in Thailand and others in neighboring countries such as Singapore have regional responsibilities.

U.S. Dairy Export Council

Southeast Asian Representative Office

Pacrim Associates Limited

11/14 Soi Ruam Rudee

Wireless Road

Bangkok 10330

Tel. (662) 689-6311

Fax (662) 689-6314

E-mail: usdec@pacrimassociates.com**U.S. Dry Pea & Lentil Council**

AgriSource Co., Ltd.

No. 416, 4 th Fl., Ambassador's Court

76/1 Soi Langsuan

Ploenchit Road

Bangkok 10330

Tel. (662) 251-8655/6, 251-8669, 251-8772

Fax (662) 251-0390

E-mail: agsource@loxinfo.co.th

American Soybean Association

Thailand Representative
 59/43 Baan Klangmuang
 Ladprao 71 Road
 Bangkok 10230
 Tel. (662) 539-5373, 539-5332
 Fax (662) 539-5256
 E- mail: asathai@loxinfo.co.th

U.S. Meat Export Federation

#15-03 Liat Towers
 541 Orchard Road
 Singapore 238881
 Tel: 656-733-4255-6
 Fax: 656-732-1977
 E- mail: singapore@usmef.com.sg

Wine Institute of California

Block 3 Alexandra Distripark
 Unit 08-22 Pasir Panyang Road
 Singapore 118383
 Tel: 656-278-3832
 Fax: 656- 278-4372
 E- mail: Richelieu@lieumktg.com.sg

Pear Bureau Northwest

Block 3 Alexandra Distripark
 Unit 08-22 Pasir Panyang Road
 Singapore 118383
 Tel: 656-278-3832
 Fax: 656- 278-4372
 E- mail: Richelieu@lieumktg.com.sg

California Pistachio Commission
California Table Grape Commission
California Tree Fruit Agreement

Block 3 Alexandra Distripark
 Unit 08-22 Pasir Panyang Road
 Singapore 118383
 Tel: 656-278-3832
 Fax: 656- 278-4372
 E- mail: Richelieu@lieumktg.com.sg

USA Poultry & Egg Export Council

#15-04 Liat Towers
 541, Orchard Road
 Singapore 238881
 Tel: 656-737-1726
 Fax: 656-737-1727
 E- mail: usapeec_sing@pacific.net.sg

U.S. Wheat Associates

#15-02 Liat Towers
 541 Orchard Road
 Singapore 238881
 Tel: 656-737-4311
 Fax: 656-733-9359
 E- mail: msamson@uswheat.org

United States Potato Board

Block 3 Alexandra Distripark
 Unit 08-22 Pasir Panyang Road
 Singapore 118383
 Tel: 656-278-3832
 Fax: 656- 278-4372
 E- mail: Richelieu@lieumktg.com.sg

Raisin Administrative Committee

Block 3 Alexandra Distripark
 Unit 08-22 Pasir Panyang Road
 Singapore 118383
 Tel: 656-278-3832
 Fax: 656- 278-4372
 E- mail: Richelieu@lieumktg.com.sg

Washington Apple Commission

208 Ram-Inthra Soi 19, Ram-Inthra Road
 Bankhen, Anusao-waree
 Bangkok 10220, Thailand
 Tel. 662-521-2170
 Fax. 662-970-8208
 E-mail: pt@waapples.com

D) American Chamber of Commerce in Thailand

The American Chamber of Commerce in Thailand serves as point of contact and exchange for members of the American business community, it also serves as a valuable resource of information and interaction for members. The Chamber has an active Food & Agribusiness Committee, which represents the interests of Chamber member firms on issues concerning food, agriculture, and agribusiness. The Committee also aims to promote dialogue on these issues between the American food and agricultural community and Thai decision-makers in the public and private sectors.

7 th Fl., Diethelm Tower A
 93/1 Wireless Road,

Key Contact(s):
 Judy Benn, Executive Director

Lumpini, Pathumwan,
Bangkok 10330
Tel. (662) 254-1041
Fax (662) 251-1605
E- mail: info@amchamthailand.com

E) Thai Government

These are the major regulatory government agencies that deal with food and agricultural products.

Food & Drug Administration, Ministry of Public Health

Import License, Product Registration & Label Approval

Director (Ms. Suchitra Setha-udom)
Food Control Division
Tivanont Road, Muang
Nonthaburi 11000
Tel. (662) 590-7178
Fax (662) 591-8460
E- mail: schitra@fda.moph.go.th

Food Products from Animals

Tivanont Road, Muang
Nonthaburi 11000
Tel. (662) 590-7207/8
E- mail: food@fda.moph.go.th

Food Products from Plants

Tivanont Road, Muang
Nonthaburi 11000
Tel. (662) 590-7023
E- mail: food@fda.moph.go.th

Chemicals and Food Additives

Tivanont Road, Muang
Nonthaburi 11000
Tel. (662) 590-7209, 590-7219
E- mail: food@fda.moph.go.th

Food for Special Purposes and Food Supplement

Tivanont Road, Muang
Nonthaburi 11000
Tel. (662) 590-7205, 590-7098
E- mail: food@fda.moph.go.th

Other Food Products

Tivanont Road, Muang
Nonthaburi 11000
Tel. (662) 590-7220
E- mail: food@fda.moph.go.th

Food Inspection

Inspection Division
Tivanont Road, Muang
Nonthaburi 11000
Tel. (662) 590-7323
Fax (662) 591-8477
E- mail: food@fda.moph.go.th

Department of Medical Sciences, Ministry of Public Health

Food Analysis

Food Analysis Division
Department of Medical Sciences
Soi Bumratnaradul Hospital
Muang, Nonthaburi 11000
Tel. (662) 951-0000 Ext. 9561
Fax (662) 951-1023

Department of Foreign Trade, Ministry of Commerce

Import Control

Commodity Trade Division

Commodity Division

Sanam Bin Nam-Nonthaburi Road

Sanam Bin Nam-Nonthaburi Road
Nonthaburi 11000
Tel. (662) 547-4737
E- mail: cdtdft@moc.go.th

Nonthaburi 11000
Tel. (662) 547-4801

Grain Division

Sanam Bin Nam-Nonthaburi Road
Nonthaburi 11000
Tel. (662) 5474820

Department of Livestock, Ministry of Agriculture and Cooperatives**Animal Quarantine Inspection Services**

Phyathai Road
Bangkok 10400
Tel. (662) 653-4444 Ext. 4110
Fax (662) 653-4865
E- mail: dcontrol8@dld.go.th

Bangkok Seaport Animal Quarantine Station

Klong Toey Port
Bangkok 10110
Tel. (662) 249-2112
Fax (662) 249-4358

Bangkok Airport Animal Quarantine Station

Don Muang
Bangkok 10900
Tel. (662) 535-1546
Fax (662) 535-1210

Department of Fisheries, Ministry of Agriculture & Cooperatives**Marine Animals**

Chief of Fisheries Administration &
Management Section
Fisheries Resources Conservation Division
Kasetsart University, Chatuchak
Bangkok 10900
Tel. (662) 562-0600/15 Ext 3509
Fax (662) 562-0528
E- mail: fishtradeins@dof.thaigov.net

Department of Agriculture, Ministry of Agriculture and Cooperatives**Plant Quarantine Subdivision**

Agricultural Regulatory Division
Chatuchak, Bangkok 10900
Tel. (662) 940-6573, 940-6670 Ext. 108
Fax (662) 579-4129
E- mail: ard@doa.go.th

Plant Quarantine Control Post

Cargo Building
Donmuang Airport
Bangkok 10900
Tel. (662) 535-1435
Fax (662) 523-6622
E- mail: ard@doa.go.th

Excise Department, Ministry of Finance**License of Alcoholic Beverages**

License Subdivision
Bureau of Tax Administration 1
Excise Department
1488 Nakhon Chaisri Road
Bangkok 10300
Tel. (662) 243-0525

Department of Intellectual Property, Ministry of Commerce
Application for Patent and Trademark
Services and Information Division

Department of Intellectual Property
338 Rachadapisek Road
Huay Kwang, Bangkok 10320
Tel. (662) 275-4854
Fax (662) 276-0061

Customs Department, Ministry of Finance
Import Formalities Division

Klong Toey, Bangkok 10110
Tel. (662) 249-4266, 671-5250
Fax (662) 249-4297

Legal Affairs Bureau

Klong Toey, Bangkok 10110
Tel. (662) 671-7560 Ext. 9310, 9311
Fax (662) 671-7626

F) Retailers

Siam Makro Company Limited

3498 2nd Fl., Lard Prao Rd
Klongchan, Bangkok
Bangkok 10240, Thailand
Tel. +662 704-7000 / 375-7000
Fax. +662 375-8866

Key Contact(s):

Mr Philip Cox, Food Director (Dry Grocery)
Mr. Louis Lin, Food Director (Fresh Food)

Big C Supercenter Co., Ltd

Fl 7 Univest Building
89/36 Rajadamri Road
Lumpini, Pathumwan
Bangkok 10330, Thailand
Tel. +662 655-0666
Fax. +662 655-5801-2

Key Contact(s):

Mr. Yves Braibant, CEO
Ms. Suwadee Chaiwarut, Marketing and PR
Director
Ms. Jaruwan Thamgaesorn, Director of Fresh
Food Merchandise Division

Tesco Lotus

699 18th Floor, Modernform Tower
Srinakrarin Rd, Suanluang
Bangkok 10250, Thailand
Tel. +662 722-9640-79
Fax. +662 722-9682/9684

Key Contact(s):

Mr Mike Raycraft, CEO
Mr. David Horton, VP Fresh Food
Development
Ms. Saijai Warawatpreecha, VP Grocery
Management – Food

Tops Supermarket, Central Food Retail Company Limited

6th-7th Floor Central Plaza Office Tower
1693 Paholyothin Road
Lard Yaow, Jatujak
Bangkok 10900
Tel. +662 937-1700
Fax. +662 937-1711

Key Contact(s):

Mr. Ian Pye, President
Chiranun Poopat, VP/Buying, Merchandising
and Marketing

Cen Car Ltd (Carrefour Global Sourcing)

14th Floor Q. House Sathorn Building
11 South Sathorn Road, Tungmahamek,
Sathorn, Bangkok 10120
Tel. +662 625-4444

Key Contact(s):

Jean Paul Khaou, Head of Fresh Division
Stephane Naurier, Head of Grocery Division

Fax. +662 677-3343-4

The Mall Group (The Mall)

1909 Ramkhamhaeng Road
Huamark, Bangkok
Bangkok 10240, Thailand
Tel. +662 310-1000 / 318-8925
Fax. +662 315-6605 / 318-8923

Key Contact(s):

Mr Pira Asawapirom, Chief Merchandising Officer

Siam Jusco

129 Ratchadapisek Rd
Dindaeng, Bangkok 10320, Thailand
Tel. +662 642-2401-8
Fax. +662 970-1823-4

Key Contact(s):

Mr Takashi Fukuhara, Managing Director

The City Mall Group Limited (Emporium)

622 Sukhumvit 24 Rd
Klongton, Klongtoey
Bangkok 10110, Thailand
Tel. +662 664-8000
Fax. +662 663-4532, 663-4536

Key Contact(s):

Ms. Rungwalee Chaigomol, Food & Marketing Development Division Manager

Foodland Supermarket Co., Ltd

2675 Lard Prao 95
Wangthonglarng, Bangkok 10310, Thailand
Tel. +662 932-2948
Fax. +662 539-0837

Key Contact(s):

Mr Supamit Surongsain, Assistant Vice President of Marketing

Tang Hua Seng Department Store

289 Sirinthorn Rd
Bangbamru, Bangplad
Bangkok 10700, Thailand
Tel. +662 434-0448
Fax. +662 434-6057

Key Contact(s):

Mr Viroj Chunprathipthong, Managing Director

Villa Market JP Co., Ltd

591/1, 4-5 Sukhumvit Rd
Klongton, Klongtoey
Bangkok 10110, Thailand
Tel. +662 662-1000
Fax. +662 259-1077

Key Contact(s):

Mr Surapong Poosanakhom, Managing Director
Mr. Pisit Poosanakhom, Executive Director

CP 7-Eleven Co., Ltd

313 CP Tower, 20th Fl.
Silom Rd, Bangkok 10500, Thailand
Tel. +662 631-0231 extension 1677
Fax. +662 638-2680

Key Contact(s):

Mr. Korsak Chairasmisak, CEO
Mr Piyawat Thitasathavorakul, Managing Director

Siam Familymart

139 Robinson Building
5th Fl Ratchadapisek Rd
Dindaeng, Bangkok 10320, Thailand
Tel. +662 254-1632-51
Fax. +662 255-8573

Key Contact(s):

Mr. Yoshitsugu Katahira, Managing Director

Appendix I. Statistics

Thailand Imports from U.S.					
(Thousands of Dollars)					
	2000	2001	2002	2003	2004
BULK AGRICULTURAL TOTAL	282,133	297,823	323,449	405,288	386,799
WHEAT	42,967	56,288	62,537	54,217	98,350
COARSE GRAINS	2,746	0	0	8	36
RICE	183	49	20	8	69
SOYBEANS	145,185	114,005	113,879	181,308	77,154
COTTON	67,254	102,635	122,599	155,162	188,353
TOBACCO	22,570	22,748	21,998	11,591	19,971
PULSES	6	0	54	107	91
PEANUTS	10	16	0	7	0
OTHER BULK COMMODITIES	1,212	2,082	2,363	2,879	2,776
INTERMEDIATE AGRICULTURAL TOTAL	145,643	206,944	207,481	198,286	187,115
WHEAT FLOUR	72	11	0	99	332
SOYBEAN MEAL	32,499	59,028	39,352	13,520	15,649
TOBACCO	0	8	3	6	16
VEGETABLE OILS (EXCL SOYBEAN OIL)	3,901	6,616	3,799	4,125	4,891
FEEDS & FODDERS (EXCL PET FOODS)	37,175	35,098	42,844	45,031	52,755
LIVE ANIMALS	3,404	4,494	7,280	7,853	592
HIDES & SKINS	29,934	54,284	50,196	56,385	52,907
ANIMAL FATS	149	0	13	119	244
PLANTING SEEDS	4,668	1,094	1,815	2,210	1,717
SUGARS, SWEETENERS, & BEVERAGE BASES	2,582	2,757	6,497	7,604	8,265
OTHER INTERMEDIATE PRODUCTS	31,259	43,553	55,683	61,334	49,748
CONSUMER-ORIENTED AGRICULTURAL TOTAL	65,223	65,253	79,716	80,076	111,303
SNACK FOODS (EXCL NUTS)	10,308	5,633	6,743	8,098	9,445
BREAKFAST CEREALS & PANCAKE MIX	469	1,365	465	1,065	2,825
RED MEATS, FRESH/CHILLED/FROZEN	1,210	2,168	2,560	2,900	0
RED MEATS, PREPARED/PRESERVED	568	150	28	71	93
POULTRY MEAT	350	1,264	1,468	1,316	2,880
DAIRY PRODUCTS	14,370	13,700	20,663	11,298	20,769
EGGS & PRODUCTS	159	102	347	78	47
FRESH FRUIT	10,237	9,445	9,817	12,294	12,308
FRESH VEGETABLES	792	366	260	559	335
PROCESSED FRUIT & VEGETABLES	9,917	12,767	12,184	13,484	16,859
FRUIT & VEGETABLE JUICES	1,389	3,649	5,954	2,436	2,795
TREE NUTS	1,343	1,547	1,993	3,610	5,824
WINE & BEER	1,096	640	988	629	1,171
NURSERY PRODUCTS & CUT FLOWERS	16	4	23	72	25
PET FOODS (DOG & CAT FOOD)	4,746	4,275	4,615	4,390	3,879
OTHER CONSUMER-ORIENTED PRODUCTS	8,252	8,178	11,609	17,776	32,049
FOREST PRODUCTS (EXCL PULP & PAPER)	30,000	25,042	30,710	26,303	31,132
LOGS AND CHIPS	3,032	3,183	2,958	3,791	3,888
HARDWOOD LUMBER	20,968	18,441	23,947	18,690	23,019
SOFTWOOD AND TREATED LUMBER	658	34	20	104	81
PANEL PRODUCTS (INCL PLYWOOD)	1,797	1,697	1,936	1,966	2,214
OTHER VALUE-ADDED WOOD PRODUCTS	3,545	1,687	1,849	1,752	1,930
FISH & SEAFOOD PRODUCTS, EDIBLE	22,173	31,280	28,794	40,567	48,608
SALMON, WHOLE OR EVISCERATED	7,325	16,089	15,454	21,201	19,911
SALMON, CANNED	1,127	561	351	49	62
CRAB & CRABMEAT	851	849	1,374	2,106	3,229*
SURIMI (FISH PASTE)	347	251	456	23	1,091
ROE & URCHIN (FISH EGGS)	297	467	54	86	179
OTHER EDIBLE FISH & SEAFOOD	12,226	13,062	11,104	17,102	24,137
AGRICULTURAL PRODUCT TOTAL	492,998	570,019	610,646	683,650	685,217
AGRICULTURAL, FISH & FORESTRY TOTAL	545,171	626,341	670,151	750,519	764,957

Economic Projection of 2005				
	Preliminary		Projection 2005	
	2003	2004	2003	2004
GDP (at current price: Bil.Bht)	5,930.4	6,576.8	7,198.8	7,195.0
GDP Growth (at constant price, %)	6.9	6.1	5.5-6.5	4.5-5.5
Investment (at constant prices, %)	11.9	14.4	15.6	11.9
Private (at constant prices, %)	17.5	15.3	15.7	10.6
Public (at constant prices, %)	(0.8)	11.7	15.3	15.3
Consumption (at constant prices, %)	5.8	5.4	5.7	5.1
Private (at constant prices, %)	6.4	5.6	5.3	4.6
Public (at constant prices, %)	2.0	4.1	8.6	8.6
Export volume of goods&services (Volume, %)	7.0	7.8	5.9	5.2
Export value of goods (Bil.USD)	78.1	96.1	110.3	111.1
Growth rate (%)	18.2	23.0	14.8	15.7
Growth rate (Volume, %)	9.5	7.0	5.5	4.7
Import volume of goods&services (Volume, %)	7.7	12.1	9.4	9.0
Import value of goods (Bil.USD)	74.3	94.4	113.4	116.1
Growth rate (%)	17.4	26.9	20.2	23.0
Growth rate (Volume, %)	9.7	12.1	10.2	10.0
Trade balance (Bil.USD)	3.8	1.7	(3.2)	(4.9)
Current account balance (Bil.USD)	8.0	7.3	1.9	0.1
Current account to GDP (%)	5.6	4.5	1.0	0.1
Inflation (%)				
CPI	1.8	2.7	3.1	3.6
GDP Deflator	1.9	4.6	3.6	4.4

Source: Office of the National Economic and Social Development Board, June 6, 2005

GDP Growth (%)						
	2004	2004				2005
		Q1	Q2	Q3	Q4	Q1
Agriculture	-3.9	-2	-5.8	-5.2	-3.3	-8.2
Non-agriculture	7.2	7.7	7.7	7.1	6.5	4.5
GDP	6.1	6.7	6.4	6.1	5.3	3.3
GDP (Seasonally Adjusted)	6.1	1.4	0.8	1.7	1.5	-0.6

Source: Office of the National Economic and Social Development Board, June 6, 2005

Exchange Rates						
(Baht per unit of US Dollar annual average)						
	1999	2000	2001	2002	2003	2004
US\$	37.81	40.11	44.43	42.96	41.49	40.22

Source: Bank of Thailand

Population							
m; % change year on year in brackets							
	1998	1999	2000	2001	2002	2003	2004
Population (at year-end)	61.47	61.66	61.88	62.31	62.80	63.08	61.97
	(1.1)	(0.3)	(0.4)	(0.7)	(0.8)	(0.5)	(-1.75)
Labour Force ^{2/}	32.46	32.72	33.22	33.92	34.25	34.85	35.82
	(-0.4)	(0.8)	(1.5)	(2.1)	(1.0)	(0.7)	(2.8)
Employed	30.10	30.66	31.29	32.17	33.00	33.82	34.85
	(-4.5)	(1.9)	(2.1)	(2.8)	(2.6)	(1.5)	(3.1)
Agriculture	13.45	13.88	13.89	13.59	13.74	13.55	13.55
	(-5.2)	(3.1)	(0.1)	(-2.2)	(1.1)	(0.6)	(0.01)
Non-agriculture	16.65	16.79	17.40	18.59	19.26	20.26	21.30
	(-3.9)	(0.8)	(3.7)	(6.8)	(3.6)	(2.1)	(5.1)
Unemployed persons ^{3/}	1.41	1.37	1.19	1.10	0.77	0.70	0.71
(As % of labour force)	(4.4)	(4.2)	(3.6)	(3.2)	(2.2)	(2.0)	(2.0)
Open unemployed (looking for work)	0.46	0.39	0.32	0.29	0.12	0.12	0.13
Passive unemployed (available but not looking for work)	0.96	0.98	0.88	0.81	0.65	0.58	0.58
Seasonal Inactive Labour Force	0.89	0.69	0.74	0.65	0.48	0.30	0.27
(As % of labour force)	(2.8)	(2.1)	(2.2)	(1.9)	(1.4)	(0.9)	(0.7)
Source: Department of Provincial Administration, National Statistical Office and National Economic & Social Development Board							
Note:							
1/ Population for 2005 was recorded on 28/09/05 and figure in parentheses represents percentage changes from the same period of the previous year.							
2/ Since 1996, the concept of "Labor Force" was revised to cover persons with the age of 15 years and over , as opposed to the original concept of 13 years and over.)							
3/ Person who did not work but were available for work.							

Consumer Expenditure 1999-2004						
	1999	2000	2001	2002	2003	2004
Consumer Expenditure						
Food & beverage (US\$m)	21,353	21,322	18,482	19,875	22,732	26,055
Food & Beverage (% of household spending)	31.1	31	27.9	27.5	28.1	28.4
Food						
Meat consumption (kg per head)	25	25	25	26	27	28.1
Milk consumption (liters per head)	22	22	20	19	20	22.3
Fruit consumption (kg per head)	95	92	91	88	90	90.5
Vegetable consumption (kg per head)	40	40	42	42	43	43.4
Confectionery, sales volume ('000 tons)	24	26	27	28	30	31.2
Beverage						
Coffee consumption (kg per head)	0	0	0	1	1	0.8
Tea consumption (kg per head)	0	0	0	0	0	0.1
Soft drink, sales volume (m liters)	1,158	1,188	1,254	1,332	1,439	1,526
Source: Government statistics, Economist Intelligence Unit and Synovate analysis						

End of Report.